

INCOMING TELEGRAM *Department of State*

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CONFIDENTIAL/LIMA 3959
REF. STATE 104124
SUBJECT PERUVIAN REACTION TO RECENT PRESS REPORTS
OF CIA ACTIVITIES

1. LIMA PRESS HAS GIVEN WIDE BUT GENERALLY INTERIOR COVERAGE TO WIRE SERVICE REPORTS OF CIA SUPPORT TO US STUDENT ORGANIZATIONS AND OTHER GROUPS ACTIVE IN OVERSEAS PROGRAMS. ONLY STORY TO MAKE FRONT-PAGE HEADLINES. THUS FAR HAS BEEN REPORT OF CIA FUNDING FOR INTER-AMERICAN FEDERATION OF WORKING NEWSPAPERMEN (FIOPP), BANNERED IN EXPRESO AND CRONICA FEBRUARY 19.

2. PRESS REACTION SO FAR LIMITED TO EDITORIALS IN EL COMERCIO GRAFICO FEBRUARY 20 AND EL COMERCIO FEBRUARY 23. COMERCIO GRAFICO

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DECLARED THAT REPORTS OF CIA FUNDING FOR NSA ARE "REVELATION WHICH CANNOT PASS UNNOTICED IN OUR COUNTRY, WHERE THERE ARE SO MANY NORTHAMERICAN STUDENTS ON SCHOLARSHIPS;" AND QUOTES SENATOR EUGENE MACCARTHY TO EFFECT THAT SUCH CIA ACTIVITIES ARE "INTERVENTION IN FIELDS OUTSIDE ITS JURISDICTION." COMERCIO EDITORIAL STATES THAT PUBLIC OPINION OF ENTIRE FREE WORLD HAS BEEN FOLLOWING "SCANDALOUS REVELATIONS OF GIGANTIC ESPIONAGE OPERATION MOUNTED BY CIA" WITH SURPRISE AND STUPOR. "WHEN MONEY HAS BEEN USED TO SUBVERT, SUBSIDIZE, CORRUPT, BUY, OR RENT" CONTINUES EDITORIAL, "THE LIBERTY AND DEMOCRACY HAVE SUFFERED A HARD BLOW." COMERCIO THEN NAMES ORGANIZATIONS "INVOLVED IN SUCH A SINISTER PLAN": AFL-CIO, "WHICH HAS CLOSE TIES WITH PERUVIAN UNIONS THROUGH THE CTP"; CONGRESS FOR CULTURAL FREEDOM "WHICH HAS IDENTIFIED OFFICIALS IN LIMA, ONE OF WHOM IS PRESENT PRESIDENT OF THE SENATE" (LUIS ALBERTO SANCHEZ); AND FIOPP "WHICH HAS WORKED CLOSELY WITH PERUVIAN JOURNALISTS' FEDERATION". EDITOR CONCLUDES THAT "WE HAVE REASONS TO BELIEVE THAT PERU IS INFILTRATED WITH AGENTS".

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3. ONLY OTHER PUBLISHED REACTION TO REPORTS HAS BEEN STATEMENT BY RODOLFO ESPINAR, PRESIDENT OF PERUVIAN JOURNALISTS FEDERATION, QUOTED AS SAYING THAT HIS ORGANIZATION HAD SEVERED TIES WITH

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FIOPP EARLIER BECAUSE LATTER WAS "DICTATORSHIP". ESPINAR SAID CHARLES PERLIX, CO-PRESIDENT OF FIOPP, HAD MANAGED FEDERATION DICTATORIALLY AND HAD DISTRIBUTED FIOPP FUNDS AS SALARIES TO CERTAIN LATIN AMERICAN JOURNALISTS "IN ORDER TO HAVE THEM AT HIS SERVICE, FROM A POINT OF VIEW WHICH IS NOW BEGINNING TO MAKE SENSE".

4. TO DATE, NO PUBLIC COMMENT ON MATTER HAS BEEN MADE BY ANY GOVERNMENT OFFICIAL OR POLITICAL PARTY LEADERS. REACTION IN GENERAL HAS BEEN LESS THAN MIGHT BE EXPECTED, BUT EMBASSY BELIEVES FURTHER REACTION MAY BE IN PROSPECT, PARTICULARLY IN VIEW OF THIS WEEK'S TIME MAGAZINE COVER STORY ON CIA WHICH NAMES PERU USAID DIRECTOR DENTZER AS INITIAL LINK BETWEEN NSA AND CIA. DENTZER'S NAME ALSO APPEARED IN EL COMERCIO ARTICLE FEBRUARY 16, BUT WAS MISPELLED AND BURIED DEEP IN WIRE SERVICE REPORT AND DOES NOT APPEAR TO HAVE BEEN NOTICED BY POTENTIAL CRITICS.

5. EMBASSY BELIEVES FOLLOWING ARE POTENTIAL TARGETS FOR ADVERSE REACTION: (1) DENTZER; (2) INTERNATIONAL DEVELOPMENT FOUNDATION; (3) AIFLD (4) US PUBLIC AND PRIVATE EDUCATIONAL EXCHANGE PROGRAMS; (5) US-SPONSORED RESEARCH; (6) CONGRESS FOR CULTURAL FREEDOM; AND (7) FIOPP. INTERNATIONAL FOUNDATION, NAMED IN

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SOME WIRE SERVICE REPORTS AS RECIPIENT OF CIA FUNDS, RUNS TRAINING SCHOOL FOR CAMPESINO LEADERS IN PERU AND IS HELPING COOPERACION POPULAR WITH ITS TRAINING PROGRAMS; IDF'S COOPERACION POPULAR PROGRAM RECEIVING PARTIAL AID FINANCING. AIFLD, SPONSORED BY AFL-CIO, RUNS LOCAL AID-FINANCED TRAINING SCHOOL FOR LABOR LEADERS AND PROVIDES TECHNICAL AND FINANCIAL ASSISTANCE FOR WORKERS HOUSING PROJECTS. CONGRESS FOR CULTURAL FREEDOM HAS LOCAL AFFILIATE WHICH SUFFERED FROM ORGANIZED CAMPAIGN IN SEPTEMBER 1966 CHARGING IT WITH CIA CONNECTIONS (LIMA'S A-205 OF OCTOBER 12).

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